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via email and web address: farcase.2001-014@gsa.gov

June 20, 2001

General Services Administration
FAR Secretariat (MVR)
Attn: Ms. Laurie Duarte
1800 F Street NW
Room 4035
Washington, D.C. 20405

Reference: Far Case 2001-014

Dear Ms. Duarte:

United Defense (UDLP) is pleased to submit its comments regarding the proposed reconsideration and revocation of FAR rule on Contractor Responsibility, Labor Relations Costs, and Costs Relating to Legal and Other Proceedings (December 20, FAR Case 1999-010).

United Defense LP believes in high ethical performance standards, industry accountability and personal responsibility. That said, we do not believe there has been any indication that contracting officers are doing business with companies that lack the necessary integrity to contract with the federal government.

We strongly support revocation of the December 20 rule. The rule is unwarranted and unworkable. The rules changes are unnecessary because the protections are already covered elsewhere in statute and regulation. The rule requires contracting officers to make responsibility determinations on the basis of ill-defined criteria that is outside their normal area of expertise and training.

The rule is a step backward from the previous six years of streamlining initiatives, which were aimed at making the procurement process more effective.

As service contractors, we are already bound by a number of labor laws and regulations that are solely enforceable by the Department of Labor. These laws include:

Service Contract Act
Davis-Bacon Act (enforced by individual agencies)
Walsh-Healy Act

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- Contract Work Hours and Safety Standards Act
- Family Medical Leave Act
- Fair Labor Standards Act
- OSHA
- OFCCP (Affirmative Action)
- NLRB (National Labor Relations Board)
- Americans with Disability Act

Regarding the disallowance of costs related to unionization, the new rule abandons neutrality in the area of contract labor relations by the Federal procurement regulations. These regulations, which have served government, industry, and labor well would be expanded rather than simply clarified.

Another area of concern with the final rule change is the requirement of all government contractors to certify whether they have been convicted of any felonies or have any pending indictments against them. This requirement is contrary to congressional direction in the 1996 Clinger-Cohen Act directing the Office of Federal Procurement Policy to eliminate all non-statutory certification requirements imposed on government contractors.

In summary, the December 20 final rule should be withdrawn as it ignores the doctrine of fairness that is so fundamental to government procurement.

United Defense LP appreciates the opportunity to respond to the reconsideration and proposed revocation of the December 20 Contractor Responsibility rule.

If you should have any questions regarding this matter, please contact me at Mary Larson, 256-235-9646 or email, mary_larson@udlp.com

Sincerely,

/s/ Mary Larson

Mary E Larson
Controller
United Defense LP Steel Products Division

cc:

Senators Sessions and Shelby:
Representatives Backus, Callahan, Everett, Riley, Cramer, Aderholt and Hilliard